

Electronic Benefit Transfer (EBT) Project



Request for Proposal for EBT Services

Section 9, Proposal Evaluation

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RFP-OSI-0530-204
Addendum #1

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9 Proposal Evaluation

This section presents information on how the state will evaluate each bidder's proposal. Bidders should read this section carefully to understand how scores will be assigned and what opportunities there are for additional points.

9.1 Overview of the Evaluation Process

The evaluation process is comprised of two (2) primary phases: draft proposal evaluation and final proposal evaluation.

9.1.1 Evaluation of the Draft Proposal

The focus of the draft proposal evaluation is to assess the bidder's response for compliance with the RFP and contractor requirements. A bidder's draft proposal will not be scored. Instead, a bidder will receive direction from the state regarding those requirement responses which are nonresponsive, are otherwise defective, or in which additional clarification is required. This information will be shared during Confidential Discussions with each bidder.

9.1.2 Evaluation of the Final Proposal

The total number of points for this procurement is 1,000 points. The technical proposal is worth 40 percent of the total points available or 400 points. The cost proposal is worth 60 percent of the total points or 600 points. The contract is evaluated as pass/fail. In the final proposal evaluation, the bidder's technical proposal, contract, and cost proposal will be evaluated separately.

Bidders' proposals will be evaluated using the following process:

- Administrative Review of Technical Proposal – The bidder's technical proposal will be assessed on whether the proposal was submitted on time, the correct number of copies was submitted, format requirements were adhered to, and basic requirements were met. Technical proposals that fail to pass the administrative review are deemed nonresponsive and may be rejected.
- Compliance Review and Scored Evaluation of Technical Proposal – Each bidder's technical proposal that passes the administrative review will be evaluated for compliance with requirements and scored on responsiveness to requirements.
- Scored Demonstration – Each bidder with a technical proposal that passes the administrative review will be invited to demonstrate administrative functionality, PIN selection and card printing equipment, reporting, and approach to and processes for deficiency management.
- Contract Evaluation – Each bidder's contract will be evaluated against the requirements as specified in Section 5.9, Contract.

- Cost Proposal Opening – Once the technical proposals and demonstrations have been evaluated and scored, each compliant bidder's cost proposal will be opened.
- Scored Evaluation of Cost Proposal – Each proposal will be scored on the bidder's prices as required by Section 7, Cost Proposal.

The bidder's proposal with the highest total score will be awarded the contract.

9.2 Draft Proposal Evaluation

The focus of the draft proposal evaluation is to assess the bidder's response for compliance with the RFP and contractor requirements. A bidder's draft proposal will not be scored. Instead, a bidder will receive direction from the state as to the requirement responses which are nonresponsive to the requirement, are otherwise defective, or in which additional clarification is required.

Bidders shall only submit their technical proposals and contract when submitting the draft proposals. **The bidder shall not submit a cost proposal with its draft proposal.** Submission of the supporting documentation volume is not required.

Bidders are strongly encouraged to submit a draft proposal that is as complete as possible. This will provide bidders the best opportunity to determine if their interpretations of RFP requirements are correct.

Bidders are reminded that the responsibility for finding and correcting errors in the bidder's draft proposal rests solely with that bidder. Information provided by the state should be viewed as guidance on noncompliant responses observed by the state and not as a definitive list of proposal errors.

The compliance review of the draft proposal will be based on Section 9.5, Compliance Review and Scored Evaluation of the Final Technical Proposal. However, rather than scoring the draft proposal, the state Evaluation Team will review the draft proposal to determine if it can be scored.

The resulting information on a bidder's draft proposal will be shared with only that bidder during Confidential Discussions. A bidder will then have the opportunity to modify its proposal in preparation for submission of its final proposal.

9.3 Final Proposal Evaluation

The evaluation of final proposals is comprised of the following five (5) steps:

1. Administrative Review of the Final Technical Proposal.
2. Compliance and Scored Evaluation of the Final Technical Proposal.
3. Evaluation of Contract.
4. Cost Proposal Opening.

5. Scored Evaluation of Cost Proposal.

9.4 Administrative Review of the Final Technical Proposal

The administrative review of the technical proposal is based on Table 9.1. The state Evaluation Team will use this table to determine if the technical proposal meets requirements. Scoring will be done as pass/fail.

TABLE 9.1, TECHNICAL PROPOSAL ADMINISTRATIVE REVIEW COMPONENTS

Section	Compliance Criteria
Overall Document Compliance Check	<ul style="list-style-type: none"> • The bidder submits its proposal by the deadline. • The bidder submits 12 copies (one [1] master and 11 copies) of the technical proposal. • The bidder includes a CD of its technical proposal in a format that is readable using Microsoft Office 2003. • The bidder's proposal meets the format requirements in Section 8.3, General Format Guidelines. • The proposal outline matches the outline in Section 8.4, Bidder's Technical Proposal Format. • There is no reference to cost information.
Cover Letter	<ul style="list-style-type: none"> • The bidder's proposal includes a cover letter in accordance with Section 8.4.1, Cover Letter.
Executive Summary	<ul style="list-style-type: none"> • The bidder's proposal includes an executive summary in accordance with Section 8.4.3, Chapter 1, Executive Summary.
Response to Administrative Requirements	<ul style="list-style-type: none"> • The bidder provides statements indicating it complies with the requirements in Section 5.1.1, Mandatory Response Areas. • The bidder provides a Certificate of Status from the California Secretary of State and is in good standing. • The bidder provides the STD 204, Payee Data Record. • The bidder provides Exhibit 5.2, Antitrust Claims. • The bidder provides Exhibit 5.3, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower-Tier Covered Transactions. • The bidder provides Exhibit 5.4, Confidentiality Statement.

Section	Compliance Criteria
Response to California Preference Programs	<ul style="list-style-type: none"> • The bidder indicates whether or not it will be participating and completes the applicable forms if claiming the Target Area Contract Preference Act. • The bidder indicates whether or not it will be participating and completes the applicable forms if claiming the Enterprise Zone Act. • The bidder indicates whether or not it will be participating and completes the applicable forms if claiming the Local Area Military Base Recovery Act Preference. • The bidder indicates whether or not it will be participating and completes the applicable forms if claiming the Small Business Preference. • The bidder provides the appropriate documentation for compliance with the Disabled Veteran Business Enterprise Participation Program requirements.
Past and Current Performance	<ul style="list-style-type: none"> • The bidder provides a statement of experience for itself. • The bidder provides a statement of experience for all subcontractors. • The bidder provides its SEC 10K filing for the past three (3) years. • The bidder provides three (3) customer references for EBT experience using Exhibit 5.5, Prime Contractor EBT Customer Reference Form. • Of the three (3) references, the bidder provides at least two (2) customer references for which the bidder served as EBT prime contractor. • The bidder provides Exhibit 5.6, List of Subcontractors. • For each subcontractor with ten (10) percent or more of the projected contract value, the bidder provides one (1) customer reference using Exhibit 5.7, Subcontractor Customer Reference Form.
Letter of Credit	<ul style="list-style-type: none"> • The bidder provides a Letter of Credit for the required amount.

Section	Compliance Criteria
Project Staffing	<ul style="list-style-type: none"> • The bidder provides its approach to staff management. • The bidder provides a completed Exhibit 5.8, Staff Reference Form, for each proposed key staff position: <ul style="list-style-type: none"> – Project Manager – Contract Manager – Technical Project Manager – Telecommunication Manager – Testing Manager – Retail Manager – Cash Access Manager – Training Coordinator – County Transition Leads – Workplan Scheduler
Approach to Project Management	<ul style="list-style-type: none"> • The bidder provides a preliminary workplan. • The bidder provides its approach to: <ul style="list-style-type: none"> – Risk management – Quality management – Schedule management – Managing subcontractors
Response to Business and Technical Requirements	<ul style="list-style-type: none"> • The bidder provides its overall approach to transition. • The bidder responds to all requirements sets.

If the bidder's final technical proposal passes all components of the administrative review, the technical proposal will next be evaluated and scored. Failure to provide an acceptable response to any item in Table 9.1 will cause the bidder's response to be deemed nonresponsive and the bidder's proposal may be rejected.

9.5 Compliance Review and Scored Evaluation of the Final Technical Proposal

The compliance review focuses on the bidder's ability to meet the requirements. If, during the compliance review, the state finds that requirements have not been met or addressed, the state may deem the bidder's response to be nonresponsive and the bidder's proposal may be rejected.

The following sections of the technical proposal will be scored, with the maximum score for the technical proposal being 400 points of the overall 1,000 points:

- Past and current performance – 15 percent of the overall points with a maximum possible score of 150 points.
- Project staffing – 10 percent of the overall points with a maximum possible score of 100 points.
- Approach to project management – 5 percent of the overall points with a maximum possible score of 50 points.
- Response to business and technical requirements – 8 percent of the overall points with a maximum possible score of 80 points.
- Demonstration – 2 percent of the overall points with a maximum possible score of 20 points.

Section scores will be carried to two (2) decimal points and rounded to the nearest hundredth decimal place (e.g., 43.748 = 43.75).

9.5.1 Past and Current Performance

9.5.1.1 Scoring of Response to Requirements

The state will review the bidder's response to the requirements presented in Section 5.4, Bidder Past and Current Performance. The state will use a pass/fail scoring on these bidder requirements.

9.5.1.2 Scoring of Customer References

In addition to the review of the response to requirements, the state will contact the three (3) contractor references provided on the bidder's completed Customer Reference Form. The reference contact person will be asked by the state Evaluation Team to respond to a standard set of questions. There are 14 questions; each scored using a three-point scale where "1" indicates *does not/did not meet expectations*, "2" indicates *meets/met expectations*, and "3" indicates *exceeds/exceeded expectations*. The customer contact person will provide the value for each question.

Three (3) state Evaluation Team members will jointly contact each reference contact person. The state Evaluation Team will make three (3) attempts to contact the reference contact person and all attempts will be documented. If the reference contact person cannot be reached, the reference will not be scored.

The state will capture the sum of all reference points (3 references x 14 questions x maximum of 3 points per question). The total possible points for customer references are 126 points.

9.5.1.3 Scoring Past and Current Performance

The total possible score for Past and Current Performance is 150. This score is calculated using the following formula:

$$\frac{\text{Bidder Reference Points} \times 150}{126} = \text{Bidder Past and Current Performance Score}$$

For example, if the bidder's reference points total is 120, the resulting score for Past and Current Performance would be:

$$\frac{120 \times 150}{126} = 142.86$$

9.5.2 Project Staffing

The evaluation of the bidder's project staffing is comprised of the following components:

1. Response to requirements in Section 5.6, Project Staffing.
2. Key staff references.
3. Additional points for project staff.

Each of these components of Project Staffing is scored separately. The maximum number of points available for responses to Section 5.6, Project Staffing requirements is 24 points. The maximum number of points available for key staff references is 180 points. The maximum number of additional points available for project staff is 25 points. After scoring each of these components, a total score for Project Staffing is calculated as explained in Section 9.5.2.4, Scoring Project Staffing. The total possible score for Project Staffing, as a whole, is 100.

9.5.2.1 Response to Requirements in Section 5.6, Project Staffing

The first step in evaluating project staffing relates to the bidder's response to the requirements presented in Section 5.6, Project Staffing. The state will use a three-point scale to score the response to project staffing requirements. This scale is based on the values presented in Table 9.2, Project Staffing Scoring.

TABLE 9.2, PROJECT STAFFING SCORING

Value	Definition
0	Response is provided but does not meet requirements. Failure to meet requirements will cause the bidder's response to be deemed nonresponsive and the bidder's proposal may be rejected.
1	Partial response provided (e.g., for the approach to staff management, only tools are discussed but not processes, standards, and lines of responsibility).
2	Complete response provided (i.e., all elements for each requirement are addressed).

The maximum number of points available for responses to Section 5.6, Project Staffing requirements is 24 points (12 requirements x maximum of 2 points per requirements set).

9.5.2.2 Key Staff References

The state will contact the three (3) references provided on the bidder's completed Staff Reference Form. The reference contact person will be asked by the state Evaluation Team to respond to a standard set of questions.

There are five (5) questions; each scored using a three-point scale where "1" indicates *does not/did not meet expectations*, "2" indicates *meets/met expectations*, and "3" indicates *exceeds/exceeded expectations*. The reference contact person will provide the value for each question.

The state will contact all three (3) references for the following key staff positions:

- Project Manager
- Technical Project Manager
- Testing Manager
- Cash Access Manager

Three (3) state Evaluation Team members will jointly contact each reference contact person. The Evaluation Team will make three (3) attempts to contact the reference contact person and all attempts will be documented. If the reference contact person cannot be reached, the reference will not be scored.

The state will capture the sum of all key staff references (4 key staff x 3 references x 5 questions x maximum of 3 points per question). The maximum number of points available for key staff references is 180 points.

9.5.2.3 Additional Points for Project Staff

Bidders have the opportunity to gain up to 25 additional points if the proposed staff exceeds minimum requirements in Section 6.2, Project Staffing. Table 9.3, Additional Points Available for Project Staffing, presents the additional points available for project staffing.

TABLE 9.3, ADDITIONAL POINTS AVAILABLE FOR PROJECT STAFFING

Position	Description	Points Available
Project Manager	Three (3) or more years of EBT-specific implementation and/or transition experience as Project Manager.	Five (5) points

Position	Description	Points Available
	Project Management Professional (PMP) certification.	Five (5) points
Technical Project Manager	Three (3) or more years of EBT-specific implementation and/or transition experience as Project Manager or Technical Project Manager.	Five (5) points
Testing Manager	Three (3) or more years of system testing experience in a lead capacity.	Five (5) points
Cash Access Manager	Three (3) or more years experience as an EBT Cash Access Manager and/or EBT Retail Manager.	Five (5) points

After the three (3) components of Project Staffing have been scored individually and totaled, a combined points total for Project Staffing is then calculated as follows:

$$\text{Bidder Project Staffing Points} = \text{Response to Requirements} + \text{Key Staff References} + \text{Additional Points for Project Staff}$$

The maximum project staffing points available for all three (3) components is 229 points. This is based on an allocation of 24 points for the response to bidder requirements as presented in Section 5.6, Project Staffing, 180 points for staff references, and 25 points for additional points for project staff.

9.5.2.4 Scoring Project Staffing

The total possible score for Project Staffing, as a whole, is 100 and the score is calculated using the following formula:

$$\frac{\text{Bidder Project Staffing Points} \times 100}{229} = \text{Bidder Project Staffing Score}$$

For example, if the bidder's project staffing points total is 200 points, the resulting score for Project Staffing would be:

$$\frac{200 \times 100}{229} = 87.34$$

The experience requirements for each key staff presented in Section 6.2, Project Staffing, represent the minimum acceptable experience. These requirements will be scored as pass/fail.

9.5.3 Approach to Project Management

In evaluating the bidder's approach to project management, the state will assess the bidder's response to the requirements presented in Section 5.7, Project Management. The state will use a three-point scale to score the response to each of these project management requirements. This scale is based on the values presented in Table 9.4, Approach to Project Management Scoring.

TABLE 9.4, APPROACH TO PROJECT MANAGEMENT SCORING

Value	Definition
0	Response does not meet requirements. Failure to meet requirements will cause the bidder's response to be deemed nonresponsive and the bidder's proposal may be rejected.
1	Partial response provided (e.g., only tools are discussed but not processes, standards, and lines of responsibility).
2	Complete response provided (i.e., all elements of project management are addressed).

The maximum project management points available is ten (10) points (5 requirements x maximum of 2 points per requirement). These points are based on the response to bidder requirements as presented in Section 5.7, Project Management.

9.5.3.1 Scoring Project Management

The total possible score for Project Management is 50. This score is calculated using the following formula:

$$\frac{\text{Bidder Project Management Points} \times 50}{10} = \text{Bidder Project Management Score}$$

For example, if the bidder's project management points total is ten (10) points, the resulting score for Project Management would be:

$$\frac{10 \times 50}{10} = 50$$

9.5.4 Response to Business and Technical Requirements

In evaluating the bidder's response to business and technical requirements, the state will assess the bidder's response to each of the requirements sets presented in Section 6, Business and Technical Requirements.

As stated elsewhere in this RFP, the state seeks a statement of compliance along with a response that demonstrates an understanding of each requirement set and an explanation on how the requirements for that requirements set will be met.

The state will use a three-point scale to score the response to each requirements set. This scale is based on the values presented in Table 9.5, Business and Technical Requirements Scoring.

TABLE 9.5, BUSINESS AND TECHNICAL REQUIREMENTS SCORING

Value	Definition
0	Response does not meet requirements. Failure to meet requirements will cause the bidder's response to be deemed nonresponsive and the bidder's proposal may be rejected.
1	Partial response provided (e.g., bidder agrees to comply with requirements but does not provide an explanation of bidder's understanding of requirements and how they will be met).
2	Complete response provided (i.e., bidder agrees to comply with requirements, describes understanding of requirements, and provides an explanation of how requirements will be met).

The maximum Business and Technical Requirements points available is 72 points (36 requirements sets x maximum of 2 points per requirements set). These points are based on the response to requirements as presented in Section 6, Business and Technical Requirements.

9.5.4.1 Scoring the Response to Business and Technical Requirements

The total possible score for the Response to Business and Technical Requirements is 80. This score is calculated using the following formula:

$$\frac{\text{Bidder Business \& Technical Requirements Points} \times 80}{72} = \text{Bidder Business \& Technical Requirements Score}$$

For example, if the bidder's response to business and technical requirements points total is 68 points, the resulting score for Response to Business and Technical Requirements would be:

$$\frac{68 \times 80}{72} = 75.56$$

9.5.5 Demonstration

After evaluation of final technical proposals, bidders will be invited to provide a demonstration of their EBT system and services.

In evaluating a bidder's demonstration, the state will assess the bidder's presentation of administrative functionality. The state will use a three-point scale to score the 17 components (refer to Section 10.3.1, Administrative Application Functionality) that comprise the demonstration of the administrative application as presented in Table 9.6, Administrative Application Scoring. Note that component Number 12, Conduct PIN Unlock, will not be given a numeric score.

TABLE 9.6, ADMINISTRATIVE APPLICATION SCORING

Value	Definition
0	Functionality not demonstrated.
1	Functionality demonstrated.
2	Functionality demonstrated on a live system and screen help is available.

The bidder's demonstration of its PIN selection equipment and card printer, reporting functionality, and deficiency management approach and processes will not be scored.

The maximum Demonstration points available is 34 points (17 functional components x maximum of 2 points per component).

9.5.5.1 Scoring Demonstration

The total possible score for Demonstration is 20. This score is calculated using the following formula:

$$\frac{\text{Bidder Demonstration Points} \times 20}{34} = \text{Bidder Demonstration Score}$$

For example, if the bidder's Demonstration points total is 33 points, the resulting score for Demonstration would be:

$$\frac{33 \times 20}{34} = 19.41$$

9.5.6 Total Technical Score

The technical score is the sum of the scores for the following:

- Past and Current Performance
- Project Staffing
- Approach to Project Management
- Response to Business and Technical Requirements
- Demonstration

Using the examples provided in this RFP section to demonstrate how individual scores were calculated, the total technical score would be 375.17 points as demonstrated in Table 9.7, Sample Total Technical Proposal Score.

TABLE 9.7, SAMPLE TOTAL TECHNICAL PROPOSAL SCORE

Section	Score
Current and Past Performance	142.86
Project Staffing	87.34
Project Management	50.00
Response to Business and Technical Requirements	75.56
Demonstration	19.41
Total Technical Score	375.17

9.6 Contract Evaluation

The evaluation of the contract is pass/fail and focuses on the bidder's ability to meet the requirements as specified in Section 5.9, Contract. If the state finds that requirements have not been met or addressed, the state may deem the bidder's response to be nonresponsive and the bidder's proposal may be rejected.

9.7 Cost Proposal Opening

Once all technical proposals and contracts have been evaluated and scored, compliant bidders' cost proposals will be opened. If a bidder's technical proposal or contract has been deemed nonresponsive or not compliant, the bidder's cost proposal will not be opened.

9.8 Scored Evaluation of Cost Proposal

All proposed services and offerings must be included in the bidder's proposal and accounted for in the bidder's cost data. Any individual price proposed by a bidder that is less than zero will be scored as zero dollars.

Sealed cost information will not be opened until the state Evaluation Team has completed all of the previous steps in the evaluation process.

Cost information will only be evaluated for responsive bids. If a bidder's proposal has been deemed noncompliant during the earlier steps, cost information will not be opened.

The following cost components will be scored, with the maximum score for the cost proposal being 600 points of the overall 1,000 points:

- Transition cost and Best Price CPCM – 56.5 percent of the overall points with a maximum possible score of 565 points.
- CPCM with Onshore call centers – 0.5 percent of the overall points with a maximum possible score of 5 points.
- CPCM with call centers in California – 0.5 percent of the overall points with a maximum possible score of 5 points.

- ATM cash withdrawal fees – 0.5 percent of the overall points with a maximum possible score of 5 points.
- Balance inquiry fees – 0.5 percent of the overall points with a maximum possible score of 5 points.
- Labor rates – 1.25 percent of the overall points with a maximum possible score of 12.5 points.
- Adding a language to the client website – 0.25 percent of the overall points with a maximum possible score of 2.5 points.

Following are the details for the evaluation of each section.

9.8.1 Transition Cost and Best Price CPCM

The bidder's transition cost will be converted to a CPCM amount and added to the bidder's Best Price CPCM. The resulting sum will be used as the basis for scoring this cost component.

9.8.1.1 Transition Cost

The transition cost will be converted into a CPCM amount using the following formula:

$$\frac{\text{Bidder Transition Cost}}{75,600,000^{12}} = \text{Bidder Transition CPCM}$$

The bidder's transition costs shall not exceed \$8 million. If the bidder provides a transition cost that exceeds \$8 million, the bidder's response will be deemed nonresponsive and the bidder's cost proposal may be rejected.

9.8.1.2 Best Price CPCM

To score the Best Price CPCM, the state will use a weighting for each caseload range and case type (food stamp only, cash only, and combined food stamp and cash). Table 9.8, CPCM Weighting for Caseload, presents the weight for each caseload range. Table 9.9, CPCM Weighting for Case Type, presents the weight for each case type.

TABLE 9.8, CPCM WEIGHTING FOR CASELOAD

Caseload Range	Weighting
1,000,000 – Up	10 percent
600,000 – 999,999	85 percent
0 – 599,999	5 percent

¹²The denominator is derived by multiplying a caseload of 900,000 by the term of the contract (84 months). The caseload of 900,000 is used only for evaluation purposes.

TABLE 9.9, CPCM WEIGHTING FOR CASE TYPE

Case Type	Weighting
Food stamp only	45 percent
Cash only	10 percent
Combined food stamp and cash	45 percent

Table 9.10, CPCM Determination, presents how, for the purposes of scoring, the Best Price CPCM will be determined.

TABLE 9.10, CPCM DETERMINATION

Caseload Range	Food Stamp Only CPCM	Cash Only CPCM	Combined Food Stamp and Cash CPCM
1,000,000 – Up	Bidder price x .10 x .45	Bidder price x .10 x .10	Bidder price x .10 x .45
600,000 – 999,999	Bidder price x .85 x .45	Bidder price x .85 x .10	Bidder price x .85 x .45
0 – 599,999	Bidder price x .05 x .45	Bidder price x .05 x .10	Bidder price x .05 x .45
Final CPCM Cost	Sum of all values from the three columns above		

9.8.1.3 Calculating the Transition and Best Price CPCM Score

The formula for calculating the Transition and Best Price CPCM cost is:

$$\text{Bidder Transition CPCM} + \text{Bidder Best Price CPCM} = \text{Bidder Transition and Best Price CPCM}$$

The bidder with the lowest Transition and Best Price CPCM cost will receive the maximum points (565 points).

The formula for scoring the other bidders is as follows:

$$\frac{\text{Lowest Transition and Best Price CPCM} \times 565}{\text{Bidder Transition and Best Price CPCM}} = \text{Bidder Transition and Best Price CPCM Score}$$

To help illustrate this process refer to Table 9.11, Transition and Best Price CPCM Evaluation and Scoring Example, for an example of the score calculation process. Cost figures in the examples serve to explain the calculations and have no other significance.

**TABLE 9.11, TRANSITION AND BEST PRICE CPCM
EVALUATION AND SCORING EXAMPLE**

Bidder	Transition and Best Price CPCM	Calculation	Cost Points Awarded
A	1.75	$\frac{1.75 \times 565}{1.75}$	565
B	2.00	$\frac{1.75 \times 565}{2.00}$	494.38
C	2.25	$\frac{1.75 \times 565}{2.25}$	439.44

9.8.2 Onshore Cost per Case Month

The maximum points available for the Onshore CPCM type is five (5) points. The state will use the same weighting for each caseload range and case type as identified in Tables 9.8 and 9.9 of this section. The state will also use the methodology presented in Table 9.10 of this section to determine the Onshore CPCM cost. The bidder with the lowest Onshore CPCM will receive the maximum points for this CPCM type. The formula for scoring the other bidders is as follows:

$$\frac{\text{Lowest Onshore CPCM} \times 5}{\text{Bidder Onshore CPCM}} = \text{Bidder Onshore CPCM Score}$$

9.8.3 California-Based Cost per Case Month

The maximum points available for the California-based CPCM type are five (5) points. The state will use the same weighting for each caseload range and case type as identified in Tables 9.8 and 9.9 of this section. The state will also use the methodology presented in Table 9.10 of this section to determine the California-based CPCM cost. The bidder with the lowest California-based CPCM cost will receive the maximum points for this CPCM type. The formula for scoring the other bidders is as follows:

$$\frac{\text{Lowest California-based CPCM} \times 5}{\text{Bidder California-based CPCM}} = \text{Bidder California-based CPCM Score}$$

9.8.4 ATM Cash Withdrawal Fees

The formula for scoring the ATM cash withdrawal fee is as follows:

$$\frac{\$0.80 - \text{Bidder Cash Withdrawal Fee}}{\$0.80} \times 5 = \text{Bidder Cash Withdrawal Fee Score}$$

The bidder's ATM cash withdrawal fee shall not exceed \$0.80. If the bidder provides an ATM cash withdrawal fee that exceeds \$0.80, the bidder's response will be deemed nonresponsive and the bidder's cost proposal may be rejected.

9.8.5 Balance Inquiry Fees

The formula for scoring the balance inquiry fee is as follows:

$$\frac{\$0.25 - \text{Bidder Balance Inquiry Fee}}{\$0.25} \times 5 = \text{Bidder Balance Inquiry Fee Score}$$

The bidder's balance inquiry fee shall not exceed \$0.25. If the bidder provides a balance inquiry fee that exceeds \$0.25, the bidder's response will be deemed nonresponsive and the bidder's cost proposal may be rejected.

9.8.6 Labor Rates

Each labor classification has a weight associated with it. Table 9.12, Labor Rate Weighting, presents the weighting for each classification. This weighting incorporates a projected percentage of use amongst labor categories. For example, for a given work authorization, the System Analyst and Programmer classifications would likely consume the most hours.

TABLE 9.12, LABOR RATE WEIGHTING

Classification	Weighting
Project Manager	5 percent
Technical Manager	15 percent
Systems Analyst	15 percent
Programmer	40 percent
Business Analyst	15 percent
Administrative Support	10 percent

The labor rate for each category will be multiplied by the category's weighting, and then all of the weighted labor rates will be totaled to calculate the bidder's total labor rate.

The bidder with the lowest total labor rate will receive the maximum points for that cost component (12.5 points). The formula for scoring the other bidders is as follows:

$$\frac{\text{Lowest Total Labor Rate} \times 12.5}{\text{Bidder Total Labor Rate}} = \text{Bidder Labor Rate Score}$$

If the bidder provides labor rates that exceed \$200.00 per hour, the bidder's response will be deemed nonresponsive and the bidder's cost proposal may be rejected.

9.8.7 Adding a Language to the Client Website

The bidder with the lowest cost for adding a language to the client website will receive the maximum points for that cost component (2.5 points). The formula for scoring the other bidders is as follows:

$$\frac{\text{Lowest Cost for Adding a Language} \times 2.5}{\text{Bidder Adding a Language Cost}} = \text{Bidder Adding Language Score}$$

9.8.8 Unanticipated Costs

Because unanticipated costs for work authorizations are not considered guaranteed monies, the bidder's unanticipated costs line item will not be evaluated or scored.

9.8.9 Calculating the Total Cost Score

The total cost score is the sum of the scores for the following:

- Transition Cost and Best Price CPCM
- CPCM with Onshore call centers
- CPCM with call centers in California
- ATM Cash withdrawal fees
- Balance inquiry fees
- Labor rates
- Adding a language to the client website

9.9 Calculating the Total Proposal Score

The bidder's total proposal score is the sum of the bidder's total technical score plus the bidder's total cost score.

9.10 Adjusting the Total Proposal Score for Preference Programs

This section provides information on how a bidder's total proposal score is adjusted if it participates in any of California's preference programs.

9.10.1 Small Business Participation Preference

Leveraging the Small Business Participation preference provides a five (5) percent increase in the total proposal score and is based on the highest total proposal score amongst all bidders. To receive the Small Business Participation preference, the bidder must be a California-certified small business or have 25 percent California-certified small business subcontractor participation.

Any bidder that has elected to use, and is qualified to use, the Small Business Participation preference will automatically receive an increase of five (5) percent of the

highest total proposal score to its total proposal score. Both a California-certified small business and a large business that has 25 percent California-certified small business subcontractor participation will receive the preference points.

It is important to note that the Small Business Participation preference takes precedence over all other preference programs. A bidder that has small business participation will be awarded the contract even if a large business has used other preference programs to achieve a higher total proposal score with those preferences.

Moreover, a certified small business will be awarded the contract over a large business that has 25 percent small business subcontractor participation if the large business has achieved a higher total proposal score because of the application of the Small Business Participation preference.

The rules and regulations of this law, including the definition of a California-certified small business for the delivery of goods and services, are contained in the California Code of Regulations, Title 2, Section 1896, et seq. and can be viewed online at:

www.pd.dgs.ca.gov/smbus

9.10.2 Disabled Veteran Business Enterprise Participation Program

Bidders must achieve three (3) percent DVBE participation or conduct a “Good-Faith” effort. If neither is conducted, the bidder’s response will be deemed nonresponsive and the bidder’s cost proposal may be rejected. Bidders will not receive additional points if they obtain DVBE participation.

~~The DVBE incentive is added to the total proposal score and is based on the highest cost score obtained by any bidder. The incentive is based on the level of DVBE participation as shown in Table 9.13, DVBE Participation Incentives.~~

TABLE 9.13, DVBE PARTICIPATION INCENTIVES

Confirmed DVBE participation of:	DVBE Incentive
4 percent or more	10 percent of highest bidder cost points
3 percent or more but less than 4 percent	9 percent of highest bidder cost points
2 percent or more but less than 3 percent	6 percent of highest bidder cost points
1 percent or more but less than 2 percent	3 percent of highest bidder cost points
Less than 1 percent	0 percent of highest bidder cost points

9.10.3 TACPA, EZA, and LAMBRA Preference Programs

The TACPA, EZA, and LAMBRA incentives are added to the total proposal score and are based on the total cost score. The incentive is a five (5) percent increase to the bidder's total cost score if it shows the worksite preference eligibility and labor hours preference, and/or a one (1) to four (4) percent increase for the workforce preference.

~~Like the DVBE program, a~~ Any additional points are added to the total proposal score.

9.10.4 Example of Adjusting Scoring with Preference Programs

Table ~~9.13~~9.14, Adjusted Scores with Preference Programs, illustrates how participating in preference programs effects a bidder's total proposal score.

TABLE ~~9.13~~9.14, ADJUSTED SCORES WITH PREFERENCE PROGRAMS

Row	Bidder	Bidder A (Using Subcontractors to Obtain Small Business)	Bidder B (Is Small Business)	Bidder C (Large Business)
1	Total Technical Proposal Score	365.00	380.00	391.00
2	Total Cost Proposal Score	565.00	580.00	600.00
3	Total Proposal Score (Add Row 1 and Row 2)	930.00	960.00	991.00
4	Use of Small Business Preference	Yes	Yes	No
5	Additional Points due to Small Business Participation (Bidder C Total Proposal Score x .05)	49.55	49.55	0.00
6	Adjusted Total Proposal Score with Small Business Participation (Add Row 3 and Row 5)	979.55	1009.55	991.00
7	Claiming DVBE Incentive	Yes	No	Yes
8	Additional Points Due to Application of DVBE Incentive (both have 4 percent participation) (Row 2 x .10)	60.00	0.00	60.00
79	Participation in LAMBRA, TACPA and EZA Preferences	No	No	No

Row	Bidder	Bidder A (Using Subcontractors to Obtain Small Business)	Bidder B (Is Small Business)	Bidder C (Large Business)
810	Adjusted Total Proposal Score with DVBE (Add Row 6 and Row 8)	979.55 1039.55	1009.55	991.00 1051.00

In this example, Bidder B would be awarded the contract because Bidder B is a California-certified small business. ~~and because Bidders A and C had achieved higher adjusted total proposal scores solely due to their participation in other preference programs.~~